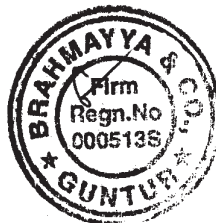


LIMITED REVIEW REPORT OF THE UNAUDITED FINANCIAL RESULTS OF
KALLAM SPINNING MILLS LIMITED
PURSUANT TO CLAUSE 41 OF THE LISTING AGREEMENT

Review Report to:

The Board of Directors,
Kallam spinning mills Limited,
Guntur.

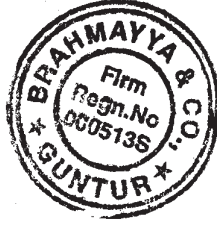
- 1) We have reviewed the accompanying statement of unaudited financial results of **KALLAM SPINNING MILLS LIMITED** ("the Company"), for the quarter ended **31st December, 2014** ("the statement") being submitted by the company pursuant to the requirement of Clause 41 of the Listing agreement with the stock exchange, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter group shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at their meeting held on 12.02.2015. Our responsibility is to issue a report on these financial statements based on our review.
- 2) We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3) Based on our review conducted as above, we report that :
 - i) **During the quarter under review, except on fixed assets of its weaving division, the company has provided depreciation at the rates specified under Schedule XIV of the Companies Act, 1956 as against the useful lives as specified under Schedule II read with Section 123 of the Companies Act, 2013 which the companies are required to adopt from 1st April, 2014. In the absence of amount of depreciation arrived at based on useful lives specified under said schedule, its impact on the results for the quarter and half year under review cannot be ascertained.**
 - ii) **The company has not made any provision towards Current Income-tax and deferred tax for the quarter under report which, we have been informed by the management, will be made on annual basis.**



BRAHMAYYA & CO
Chartered Accountants

- 4) Referring to the para 3 (ii) above and subject to point mentioned in (i) above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dt. 13th September, 2013 of the Ministry of Corporate affairs) and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Guntur
Date : 12.2.2015



For Brahmayya & Co
Chartered Accountants
Firm Regn.no.000513S

(Karumanchi Rajaj)
ICAI Memb.No.202 309
Partner